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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/495,898	02/02/2000	Rod Stambaugh	032397-009	5435
35437	7590	07/25/2005	EXAMINER	
MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO 666 THIRD AVENUE NEW YORK, NY 10017			SHERR, CRISTINA O	
			ART UNIT	PAPER NUMBER
			3621	

DATE MAILED: 07/25/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/495,898	Applicant(s) STAMBAUGH, ROD	
	Examiner Cristina Owen Sherr	Art Unit 3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on April 29, 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,2,4,6-8,10,12,14-17,20-24,26-30 and 34 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,2,4,6-8,10,12,14-17,20-24,26-30 and 34 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|--|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
6) <input type="checkbox"/> Other: _____ |
|---|--|

✓

DETAILED ACTION

1. This communication is in response to the applicant's amendment filed April 29, 2005. Claims 1, 17, and 30 have been amended. Claims 1-2, 4, 6-8, 10, 12, 14-17, 20-24, 26-30, and 35 are pending in this case.

Response to Arguments

2. Applicant's arguments filed April 29, 2005 have been fully considered but they are not persuasive.

3. Applicant argues with respect to independent claims 1, 17 and 30 that nothing in the cited prior art (Pare, Jr., US 5,870,723) discloses (or teaches or suggests) a method of transaction processing, which includes operating a wireless transaction terminal in one of two modes: a first mode where communication of transaction information with a first server is delayed, and in a second mode, where the communication of transaction information is not delayed.

4. Attention is respectfully directed to Pare at column 38, lines 40-63:

The SNM's secondary function is to inform other DPCs of the updated sequence numbers. Quickly updating sequence numbers at all DPC sites thwarts resubmission attacks wherein a malicious entity monitors packets destined for one DPC site and immediately sends a copy to a different DPC site in the hope of exploiting the transmission delay of sequence number updates from one DPC site to another resulting in both sites accepting the packet as valid, when only the first site should accept the packet.

The SNMs send update messages to each other whenever they receive a valid sequence number. If an SNM receives an update message for a sequence number that is less than or equal to the sequence number currently stored in its hash table, that SNM logs a sequence number resubmission warning. All resubmission attacks are detected in this manner.

A simpler way to thwart resubmission attacks completely, is to have only one SNM validate packets. Under this scheme, there is no update transmission delay window to exploit with a resubmission attack. Alternately, multiple SNMs can be active at the same time provided none of them handle sequence number validation for the same BIA-equipped device.

5. Applicant further argues, with respect to independent claim 14, that nowhere in the cited reference does a server receive an action remotely from a customer for communicating and application on a wireless transaction terminal.

6. Attention is respectfully directed to Pare at col 11 ln 22-26:

Depending on the task at hand, BIA models are either partially or fully integrated with the terminal. Partially integrated devices are physically separate from the terminal, and they include wireless and standard retail point of sale BIAs. Fully integrated devices are contained within the physical enclosure of the terminal itself, for instance a telephone.

7. Further, at col 42 ln 6-14:

Customer Service tasks

IBD: find, activate, deactivate, remove, correct records, change PINs.

AID: add or remove authorized individuals.

AOD: find, add, remove, correct records.

VAD: find, activate, deactivate, remove, correct records.

RSD: find, add, remove, correct records.

PFD: add, remove, correct records.

8. With respect to independent claim 35, applicant argues that nothing in Pare discloses replies for use in transaction processing being downloaded to the transaction terminal.

9. Attention is respectfully directed to Pare at col 57, ln 58-col 58, ln 39:

1.6.1. Retail Point of Sale Terminal

In this case, an RPT communicates with a retail BIA and the DPC to authorize a transaction. The transaction amount is 452.33, the buyer's financial account is 4024-2256-5521-1212 seller identification code is 123456, and the buyer's private code is "I am fully persuaded of it."

RPT.fwdarw.BIA Set Language <English>

BIA.fwdarw.RPT OK

RPT.fwdarw.BIA Get Biometric <20>

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BIA/LCD: <Please place finger on lighted panel>

Buyer places finger on scanner

BIA.fwdarw.RPT OK

RPT.fwdarw.BIA Get Pin <40>

BIA/LCD: <Please enter your PIN, then press <enter>>

Buyer enters PIN, then <enter>

BIA.fwdarw.RPT OK

RPT.fwdarw.BIA Get Account Index Code <40>

BIA/LCD: <Now enter your account index code, then press <enter>>

Buyer enters code, then <enter>

BIA.fwdarw.RPT OK

RPT.fwdarw.BIA Validate Amount <452.33> <40>

BIA/LCD: <Amount 452.33 OK?>

Buyer enters OK

BIA.fwdarw.RPT OK

RPT.fwdarw.BIA Assign Register <1> <123456>

BIA.fwdarw.RPT OK

RPT.fwdarw.Form Message <Commercial Transaction Message>

BIA.fwdarw.RPT <Commercial Transaction Message>

BIA.fwdarw.RPT OK

BIA/LCD: <I'm talking to DPC Central>

RPT.fwdarw.DPC <Commercial Transaction Message>

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DPC: validate biometric, retrieve financial account number.fwdarw.4024-2256-5521-1212

DPC.fwdarw.VISA <authorize 4024-2256-5521-1212 452.33 123456>

VISA.fwdarw.DPC <OK 4024-2256-5521-1212 452.33 123456 autho-code>DPC: get private code

DPC.fwdarw.RPT <Transaction Response Message>

RPT.fwdarw.BIA Show Response <Transaction Response Message> <8>

BIA/LCD: <Transaction ok: I am fully persuaded of it>

BIA.fwdarw.RPT <OK <autho-code>>RPT: prints receipt with autho-code on it

Claim Rejections - 35 USC § 102

10. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

11. Claims 1-2, 4, 12,14-17, 20-21, 27-30, 35 are rejected under 35 U.S.C. 102(e) as being anticipated by Pare, Jr. et al (US 5,870,723).

12. Regarding claims 1, 30, and 35 –

Pare discloses a method of transaction processing, comprising: transaction communication of transaction information with a first server is delayed; communication

of the transaction information with the first server occurs during the transaction accessing a wireless communications network and sending first transaction information for a transaction from the transaction terminal across the communications network; receiving and processing the first transaction information at the first a server storing at least a portion of the first transaction information, the fast server sending second transaction information based on the first transaction information to a transaction processor (e.g. col 23, ln 16-27, col 58 ln26-30, fig 1).

13. Regarding claim 2 –

Pare discloses the method of claim 1, wherein in the first mode of operation, transaction process replies for use during a transaction are downloaded to the transaction terminal prior to the transaction and/or in the, second made of operation transaction process replies for use during a transaction are communicated to the transaction terminal during the transaction (e.g. col 58 ln26-30).

14. Regarding claim 4 –

Pare discloses the method of Claim 1, wherein the first server controls information stored on the transaction terminal (e.g. col 58 ln 30).

15. Regarding claim 12 –

Pare discloses the method of Claim 1, further comprising generating a report of transaction information from one or more transactions conducted on the transaction terminal, wherein the report is accessible via the Internet (e.g. col 42 ln 6-14).

16. Regarding claim 14 –

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Pare discloses a method for transaction processing comprising: a server receiving an action from a customer remotely communicating with the server via the Internet, the action for application on a wireless transaction terminal in communication with the server; and the server communicating the action to the transaction terminal to apply the action thereto (e.g. col 42 ln 6-14).

17. Regarding claim 15 –

Pare discloses the method of claim 14, wherein the desired action is terminal activation or deactivation (e.g. col 42 ln 6-14).

18. Regarding claim 16 –

Pare discloses the method of Claim 14, wherein the desired action is terminal diagnostics (e.g. col 42 ln 6-14).

19. Regarding claim 17 –

Pare discloses a transaction processing network, comprising: a server; a plurality of wireless transaction terminals, each transaction terminals in at least one of a first mode and a second mode, wherein in the first mode of operation, during a transaction, communication of transaction information with the server is delayed and wherein during the second mode communication of the transaction information with the server occurs during the transaction; a first network segment linking one or more of the wireless transaction terminals to the server, wherein all or a portion of transaction information received from each transaction conducted on each of one or more transaction terminals is stored and made accessible via the Internet; and a second network segment linking the server to one or more further destinations, wherein at least one of the further

destinations comprise a transaction processor for obtaining transaction approvals (e.g. col 23, ln 16-27, col 58 ln26-30, fig 1).

20. Regarding claim 20 –

Pare discloses the apparatus of Claim 17, wherein the server controls the operation of one or more of the transaction terminals (e.g. col 58 ln 30).

21. Regarding claim 21 –

Pare discloses the apparatus of Claim 20, wherein the operation comprises deactivation or activation of the transaction terminal (e.g. col 58 ln 62-63).

22. Regarding claim 27 –

Pare discloses the method according to claim 1, further comprising the server receiving transaction approval information from the transaction processor and then forwarding all or a portion of the transaction approval information to the transaction terminal (e.g. col 58 ln 29-30).

23. Regarding claim 28 –

Pare discloses the method according to claim 27, wherein the approval information comprises at least one of a credit approval, a credit denial, an approval code, a reference code, credit account information and an amount for the transaction (e.g. col 58 ln 30).

24. Regarding claim 29 –

Pare discloses the method according to claim 14, wherein the desired action is changing information stored on the transaction terminal (e.g. col 58 ln 29-30).

Claim Rejections - 35 USC § 103

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25. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

26. Claims 6-8, 10, 22-24, 26 rejected under 35 U.S.C. 103(a) as being unpatentable over Pare, Jr. et al (US 5,870,723) in view of Katseff et al (US 6,075,796).

27. Regarding claims 6-8, 10, 22-24, 26 –

Pare does not explicitly disclose that (a) the first transaction information is transported using a first protocol/format and the second transaction information is transported using a second different protocol/format, wherein the first protocol has lower overhead than the second protocol or the first format is more compact than the second format, (b) the server reformats the transaction information from the first format to the second format, and (c) the server stores locally information about various transaction terminals and uses this information to reformat the transaction information from the first format to the second format. However, Katseff teaches the use of these features “to minimize latency and to improve efficiency and quality of packet transmission in applications including Internet telephony.” (e.g., col. 1, lines 8-13; col. 2, lines 19-56; and col. 6) Thus, it would have been obvious to one of ordinary skill in the art to modify the method of Pare by adopting the teaching of Katseff “to minimize latency and to improve efficiency and quality of packet transmission” for the claimed method.

28. Examiner’s note: Examiner has cited particular columns and line numbers in the references as applied to the claims above for the convenience of the applicant.

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Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may be applied as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion

29. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

30. Reber et al. (US PAT. 5,903,767) discloses transaction methods, system, and devices using a first and second data.

31. Kolling et al (US PAT. 5,920,847) discloses electronic bill payment system using PC, telephone keypad, screen telephone or PDA.

32. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

33. A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

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the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

33. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Cristina Owen Sherr whose telephone number is 571-272-6711. The examiner can normally be reached on 8:30-5:00 Monday through Friday.

34. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

35. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Cristina Owen Sherr
PRIMARY PATENT EXAMINER